

VILLAGE OF NYACK, NEW YORK
AUDITED ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED MAY 31, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Nyack
9 N. Broadway
Nyack, New York 10960

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Nyack, as of and for the year ended May 31, 2021, and the related notes to the financial statements, which collectively comprise the Village of Nyack's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Nyack, as of May 31, 2021, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Nyack Parking Authority nor the Nyack Housing Authority, which represent 27%, 53% and 39%, respectively, of the assets, net position, and revenues of the governmental activities. The Nyack Housing Authority statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Nyack Housing Authority, is based on the report of the other auditors. The Nyack Parking Authority statements were compiled by management of the Village.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Nyack and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Nyack's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Nyack's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Nyack's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of

preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Nyack's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2024, on our consideration of the Village of Nyack's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Nyack's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Nyack's internal control over financial reporting and compliance.

Berard + Associates CPA's PC

Berard & Associates CPA's P.C.
March 31, 2024

**VILLAGE OF NYACK, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The accompanying management discussion and analysis of the Village's financial performance has been prepared to provide an overview of the Village's financial activities for the year ended May 31, 2021. This discussion and analysis is only an introduction and should be read in conjunction with the Village's financial statements.

Requests for Information

This report is designed to provide an overview of the Village's finances for those with an interest in this area. Questions concerning the information found in this report or requests for additional information should be directed to the Village Mayor's office at the Village of Nyack, 9 N. Broadway Nyack, NY 10960.

2021 Financial Highlights

- The Village's net position (defined as assets plus deferred outflows less liabilities and deferred inflows) was (\$15,347,826) as of December 31, 2021.
- The governmental total net position decreased by \$786,228 during the year ended May 31, 2021..
- At May 31, 2021, the proportionate share of the net pension liability for the retirement system was included in total liabilities in the amount of \$10,262.
- As of the close of the year, the Village of Nyack's governmental funds reported an ending fund balance of \$(731,641), a decrease of \$1,910,534 in comparison with the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was \$1,981,797.

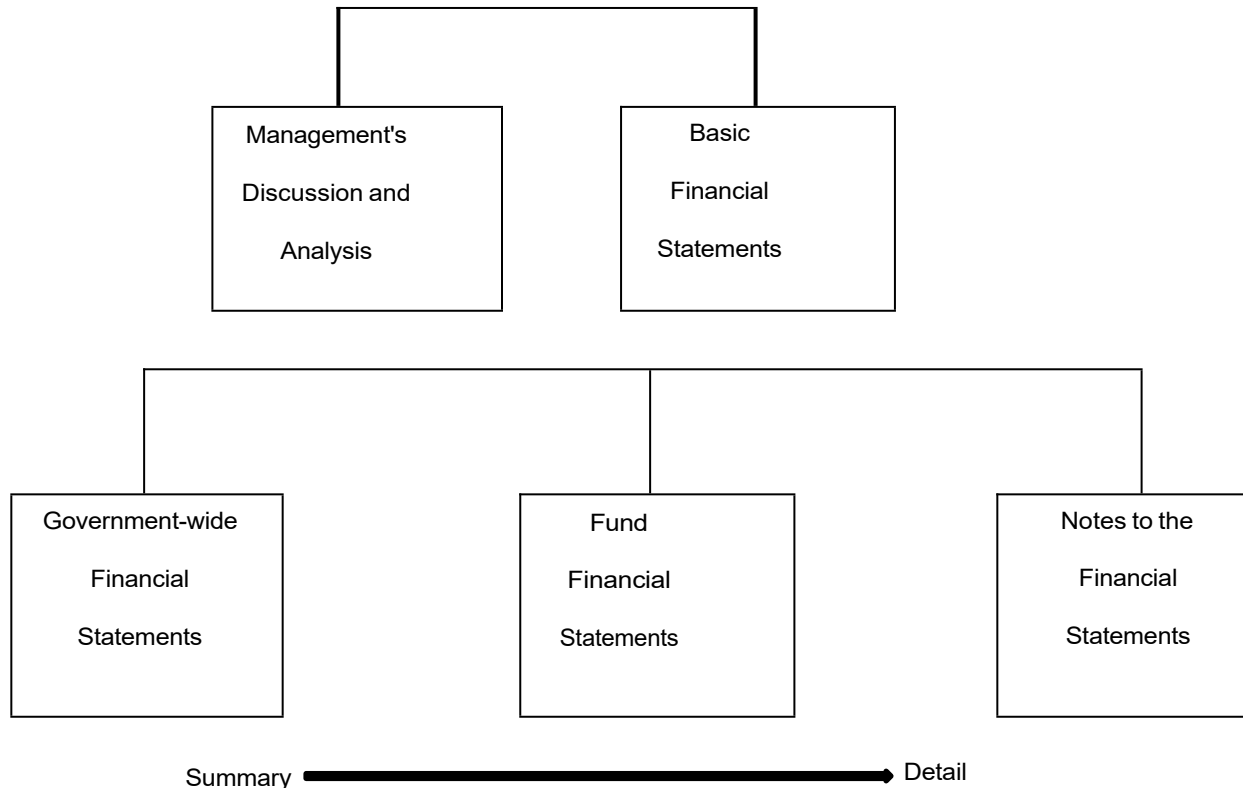
Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Village's financial position through the use of government-wide statements and fund financial statements. Each view will be explained in more detail following this narrative. In addition to the basic financial statements, this report contains other supplementary information that will enhance the reader's understanding of the financial condition of the Village of Nyack, New York.

**VILLAGE OF NYACK, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Required Components of the Village's Basic Financial Statements

Figure 1



Basic Financial Statements

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Village's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Village's government. These statements provide more detail than the government-wide statements. There are two parts to the Fund Financial Statements, they include: 1) the governmental, proprietary, and fiduciary fund statements and 2) reconciliations to the government-wide financial statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Village's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Village's financial status as a whole.

The two government-wide statements report the Village's net position and how it has changed. Net position is the difference between the Village's total assets and total liabilities. Measuring net position is one way to gauge the Village's financial condition.

The governmental activities include most of the Village's basic services such as public safety, road maintenance and administration. Property taxes, sales tax, charges for services and state aid finance most of these activities.

VILLAGE OF NYACK, NEW YORK REQUIRED SUPPLEMENTARY INFORMATION MANAGEMENT'S DISCUSSION AND ANALYSIS

Fund Financial Statements

The fund financial statements provide a more detailed look at the Village's most significant activities. A fund is a group of self-balancing accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like all other governmental entities in New York, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as New York State general municipal law and local finance law or the Village's budget regulations. All of the funds of the Village are classified in one of two categories: governmental funds and fiduciary funds.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. All of the Village's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Village's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in reconciliations that are a part of the fund financial statements.

Fiduciary Funds - The Village acts in an agency capacity for assets that are ultimately transferred to others, such as guarantee and bid deposits. These funds are excluded from the government-wide financial statements because the Village cannot use these assets to finance operations.

The Village adopts an annual budget for certain funds as required by municipal law. The budget is a legally adopted document that incorporates input from the citizens and management of the Village, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Village to obtain funds from identified sources to finance these current period activities. The budgetary comparison demonstrates how well the Village complied with the final budget and whether or not the Village succeeded in providing the services as planned when the budget was adopted. The budgetary comparison schedule uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The schedule shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual revenues, expenditures and ending balances; and 4) the variance between the final budget and actual revenues and expenditures. The schedule is presented as required supplementary information.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**VILLAGE OF NYACK, NEW YORK
REQUIRED SUPPLEMENTARY
INFORMATION MANAGEMENT'S
DISCUSSION AND ANALYSIS**

**GOVERNMENTAL-ACTIVITY FINANCIAL ANALYSIS
STATEMENT OF NET POSITION**

	2021	2020	\$ Change	% Change
Current and Other Assets	\$ 5,305,212	\$ 5,979,345	\$ (674,133)	-11.27%
Capital	13,535,982	10,500,453	3,035,529	28.9%
Total Assets	18,841,194	16,479,798	2,461,396	14.3%
Deferred Outflows of Resources	2,400,674	1,572,596	828,078	52.65%
Other Liabilities	7,260,614	4,722,940	2,537,674	53.7%
Long-Term Liabilities	25,986,475	27,680,462	(1,693,987)	-6.12%
	\$33,247,089	32,403,402	843,687	2.60%
Deferred Inflows of Resources	3,342,605	97,893	3,244,712	3314.5%
Net Position:				
Net Investment in Capital Assets	13,535,982	4,633,169	8,908,813	192%
Unrestricted	(28,883,808)	(19,082,070)	(9,806,738)	-51.39%
Total Net Position	\$ (15,347,826)	\$ (14,448,901)	(\$898,925)	-6.2%

Management's Explanation of Changes

Total assets increased mainly due to increased cash as a result of Bond Anticipation Notes ("BANs") proceeds not being entirely spent by the end of the year. Liabilities also decreased by the overall increase in bonded debt of \$40,000 and the increase in the Other Postemployment Benefits of nearly \$1,392,840.

**VILLAGE OF NYACK, NEW YORK
REQUIRED SUPPLEMENTARY
INFORMATION MANAGEMENT'S
DISCUSSION AND ANALYSIS**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS
GOVERNMENTAL ACTIVITIES
CHANGES IN NET POSITION**

	2021	%	2020	%	\$ Change	%
Revenues						
Program Revenues						
Charges for Services	\$ 4,135,769	43.89%	\$4,868,208	50.41%	\$ (732,439)	311.44%
Operating Grants and Contributions	596,025	6.33%	103,950	1.08%	492,075	-209.23%
Capital Grants and Contributions	130,853	1.39%	343,736	3.56%	(212,883)	90.52%
General Revenues						
Real Property Taxes	3,875,462	41.13%	3,591,577	37.19%	283,885	-120.71%
Real Property Tax Items	48,326	0.51%	24,254	0.25%	4,072	-10.24%
Non-Property Taxes	237,717	2.52%	431,015	4.46%	193,298)	82.19%
Use of Money and Property	45,496	0.48%	40,975	0.42%	4,521	-1.92%
Sale of Property and Compensation for Loss	26,371	0.28%	10,376	0.11%	15,995	-6.80%
State and Federal Aid	169,470	1.80%	232,414	2.41%	(62,944)	26.76%
Miscellaneous	156,555	1.66%	10,719	0.11%	145,836	-62.01%
Total Revenues	9,422,044	100%	9,657,224	100%	\$ (235,180)	100%

Revenues decreased primarily due to the decrease in grant funding for capital projects, as current capital projects are being funded by debt. Expenses increased due to the implementation of GASB 75, relating to other postemployment benefits.

VILLAGE OF NYACK, NEW YORK REQUIRED SUPPLEMENTARY INFORMATION MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Village of Nyack Funds

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Village's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the year.

The General Fund is the chief operating fund of the Village. At the end of the current year, the unassigned fund balance of the General Fund was \$1,981,797. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned fund balance represents 36.47% of total General Fund expenditures.

At May 31, 2021, the governmental funds of the Village reported a combined fund balance of \$(731,641), a 144 percent decrease over the prior year end. Included in this change in the fund balance are increases in General and decreases in the Capital Project, water and Community Development (Non-major) Funds.

General Fund Budgetary Highlights: During the year, the Village revised the General Fund budget. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Capital Asset and Debt Administration

Capital Assets: The Village's investment in capital assets for its governmental activities as of May 31, 2021 totaled \$13,535,982 (net of accumulated depreciation). These assets include construction in progress, land, buildings, improvements, machinery and equipment, and infrastructure.

Debt: As of May 31, 2021, the Village of Nyack had total debt outstanding for its governmental activities of \$9,565,000. This amount is made up of BANs payable of \$4,955,000 and serial bonds payable of \$4,610,000. The Village's total debt increased by \$605,000 during the 2021 fiscal year.

For more detailed information on capital assets and long-term debt, see the notes to the basic financial statements.

VILLAGE OF NYACK
Statement of Net Position
May 31, 2021

	Primary Government Activities	Component Units
ASSETS		
Cash	\$ 2,883,532	\$ 761,566
Restricted cash	-	149,281
Investments	-	1,270,756
Receivables		
Accounts, net	54,887	807,852
Water rents	403,073	-
State and Federal aid	-	-
Due from related party	1,717,133	-
Due from other governments	235,426	-
Prepaid expense	11,161	53,698
Inventories	-	9,518
Capital assets		
Not being depreciated	7,253,245	235,443
Being depreciated, net	<u>6,282,737</u>	<u>4,198,617</u>
Total assets	<u>18,841,194</u>	<u>7,486,731</u>
Deferred outflows of resources	<u>2,400,674</u>	<u>525,847</u>
Total assets and deferred outflows	<u>21,241,868</u>	<u>8,012,578</u>
LIABILITIES		
Accounts payable	237,157	128,767
Accrued liabilities	205,399	46,566
Security deposits	605,326	89,182
Bond anticipation notes payable - capital project	4,955,000	-
Deferred revenue	-	13,910
Due to related party	-	1,717,133
Due to retirement systems	-	-
Other liabilities	33,971	-
Loans payable	-	402,098
Noncurrent liabilities		
Due within one year	1,223,761	64,699
Due in more than one year	<u>25,986,475</u>	<u>554,029</u>
Total liabilities	<u>33,247,089</u>	<u>3,016,384</u>
Deferred inflows of resources	<u>3,342,605</u>	<u>16,809</u>
Net position		
Net investment in capital assets	13,535,982	4,031,962
Restricted	-	544,717
Unrestricted	<u>(28,883,808)</u>	<u>402,706</u>
Total net position	<u>\$ (15,347,826)</u>	<u>\$ 4,979,385</u>

See notes to basic financial statements.

VILLAGE OF NYACK
Statement of Activities
For the Year Ended May 31, 2021

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position	Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Primary government						
General governmental support	\$ 2,118,595				\$ (2,118,595)	\$ -
Public safety	425,694	13,159			(412,535)	-
Health	35,622	91,795			56,173	-
Transportation	3,242,468	15,775	162,768		(3,063,925)	-
Culture and recreation	970,595	68,515		130,853	(771,227)	-
Home and community services	3,210,950	3,946,525		192,776	928,351	-
Interest	204,348	-	-	-	(204,348)	-
Total governmental activities	<u>\$ 10,208,272</u>	<u>\$ 4,135,769</u>	<u>\$ 162,768</u>	<u>\$ 323,629</u>	<u>\$ (5,586,106)</u>	<u>-</u>
Component Units:						
Nyack Housing Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 646,622
Parking Authority	-	-	-	-	-	160,360
Total Component Units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 806,982</u>
GENERAL REVENUES						
Real property taxes					\$ 3,875,462	\$ -
Other tax items					48,326	-
Non-property taxes					237,717	-
Unrestricted use of money and property					45,496	14,934
Sale of property and compensation for loss					26,371	-
Sales tax distribution from county					169,470	-
Unrestricted state aid					240,481	-
Miscellaneous revenue					<u>156,555</u>	<u>83,213</u>
Total general revenues					<u>4,799,878</u>	<u>98,147</u>
Change in net position					(786,228)	905,129
Prior period adjustment					(112,697)	
Net position - beginning					<u>(14,448,901)</u>	<u>4,074,256</u>
Net position - ending					<u>\$ (15,347,826)</u>	<u>\$ 4,979,385</u>

See notes to the basic financial statements

VILLAGE OF NYACK
Balance Sheet - Governmental Funds
As of May 31, 2021

	<u>General</u>	<u>Water</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 1,152,612	\$ 662,414	\$ 1,068,506	\$ -	\$ 2,883,532
Restricted cash	-	-	-	-	-
Receivables					
Accounts, net	54,887	-	-	-	54,887
Water rents	-	403,073	-	-	403,073
State and Federal aid	-	-	-	-	-
Due from other funds	-	-	782,345	-	782,345
Due from Related Party	1,717,133	-	-	-	1,717,133
Due from other governments	233,249	-	2,177	-	235,426
Prepaid expense	7,500	3,661	-	-	11,161
Deposits	-	-	-	-	-
Total assets	<u>\$ 3,165,381</u>	<u>\$ 1,069,148</u>	<u>\$ 1,853,028</u>	<u>\$ -</u>	<u>\$ 6,087,557</u>
LIABILITIES AND FUND BALANCES					
Accounts payable	\$ 61,116	\$ 118,462	\$ 57,579	\$ -	\$ 237,157
Accrued liabilities	139,383	66,016	-	-	205,399
Due to other funds	343,788	425,554	-	13,003	782,345
Security deposits	605,326	-	-	-	605,326
Bond anticipation notes payable	-	-	4,955,000	-	4,955,000
Due to retirement systems	-	-	-	-	-
Other liabilities	33,971	-	-	-	33,971
Total liabilities	<u>1,183,584</u>	<u>610,032</u>	<u>5,012,579</u>	<u>13,003</u>	<u>6,819,198</u>
Deferred Inflows of resources	-	-	-	-	-
Fund balance					
Nonspendable	7,500	-	-	-	7,500
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	459,116	(3,159,551)	-	(2,700,435)
Unassigned	1,981,797	-	-	(13,003)	1,968,794
Total fund balance	<u>1,981,797</u>	<u>459,116</u>	<u>(3,159,551)</u>	<u>(13,003)</u>	<u>(731,641)</u>
Total liabilities and fund balances	<u>\$ 3,165,381</u>	<u>\$ 1,069,148</u>	<u>\$ 1,853,028</u>	<u>\$ -</u>	<u>\$ 6,087,557</u>

VILLAGE OF NYACK
 Reconciliation of Government Funds Balance Sheet
 To the Government-Wide Statement of Net Position
 May 31, 2021

Fund balances - total governmental funds \$ (731,641)

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 13,535,982

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Deferred amounts on pensions 2,400,674

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest payable	(44,615)
Bonds payable	(4,610,000)
Installment purchase debt payable	(7,971)
Compensated absences	(664,448)
Net pension liability	(10,262)
Net other post employment benefit liability	<u>(21,872,940)</u>
	<u>(27,210,236)</u>

Governmental funds report the effects of premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities.

Deferred amounts on pensions (3,342,605)

Net position of governmental activities \$ (15,347,826)

See notes to financial statements.

VILLAGE OF NYACK
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended May 31, 2021

	General	Water	community development- non-major	Capital Projects	Total Governmental Funds
REVENUES					
Real property taxes	\$ 3,875,462	\$ -	\$ -	\$ -	\$ 3,875,462
Other tax items	48,326	-	-	-	48,326
Non-property taxes	237,717	-	-	-	237,717
Departmental income	150,366	3,383,795	-	15,775	3,549,936
Use of money and property	45,446	-	-	50	45,496
Licenses and permits	554,227	-	-	-	554,227
Fines and forfeitures	31,606	-	-	-	31,606
Sale of property and compensation for loss	26,371	-	-	-	26,371
Sales tax distribution from County	169,470	-	-	-	169,470
Miscellaneous revenue	11,815	10,040	-	134,700	156,555
State aid	403,249	-	-	130,853	534,102
Federal aid	192,776	-	-	-	192,776
Total revenues	<u>5,746,831</u>	<u>3,393,835</u>	<u>-</u>	<u>281,378</u>	<u>9,422,044</u>
EXPENDITURES					
Current					
General government support	\$ 1,110,874	\$ 245,340	\$ -	\$ 670,854	\$ 2,027,068
Public safety	412,550	-	-	-	412,550
Health	35,622	-	-	-	35,622
Transportation	1,160,951	-	-	-	1,160,951
Culture and recreation	366,319	-	-	34,252	400,571
Home and community services	186,332	2,301,088	1,809	2,274,662	4,763,891
Employee benefits	1,403,831	806,453	-	-	2,210,284
Debt service					
Installment purchase debt	63,652	-	-	-	63,652
Principal	515,000	65,000	-	-	580,000
Interest	178,530	39,459	-	-	217,989
Capital outlay	-	-	-	-	-
Total expenditures	<u>5,433,661</u>	<u>3,457,340</u>	<u>1,809</u>	<u>2,979,768</u>	<u>11,872,578</u>
Excess (deficiency) of revenues over expenditures	<u>313,170</u>	<u>(63,505)</u>	<u>(1,809)</u>	<u>(2,698,390)</u>	<u>(2,450,534)</u>
OTHER FINANCING SOURCES (USES)					
BANs redeemed from appropriations	-	-	-	540,000	540,000
Transfers in	222,000	-	-	-	222,000
Transfers out	-	(222,000)	-	-	(222,000)
Total other financing sources (uses)	<u>222,000</u>	<u>(222,000)</u>	<u>-</u>	<u>540,000</u>	<u>540,000</u>
Net change in fund balances	535,170	(285,505)	(1,809)	(2,158,390)	(1,910,534)
Fund balances (deficits) - beginning	1,446,627	744,621	(11,194)	(1,001,161)	1,178,893
Fund balances (deficits) - ending	<u>\$ 1,981,797</u>	<u>\$ 459,116</u>	<u>\$ (13,003)</u>	<u>\$ (3,159,551)</u>	<u>\$ (731,641)</u>

See notes to financial statements.

VILLAGE OF NYACK
 Reconciliation of the Statement of Revenues, Expenditures
 And Changes in Fund Balance of Government Funds
 To the Statement of Activities
 May 31, 2021

Amounts reported for governmental activities in the statement of activities are different because

Net change in fund balances - total governmental funds \$ (1,910,534)

Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds.

Pensions 828,078

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	3,193,221
Loss on disposal	-
Depreciation expense	<u>(575,727)</u>
	<u>2,617,494</u>

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal paid on installment purchase debt	114,528
Bonds issued	(540,000)
Principal paid on bonds	<u>580,000</u>
	<u>154,528</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	13,641
Compensated absences	(29,818)
Retirement incentives and other pension obligations	(143,246)
Pension liabilities	2,485,470
Other post employment benefit obligations payable	<u>(1,392,840)</u>
	<u>933,207</u>

Deferred inflows of resources related to pensions are not reported in governmental funds

Pensions (3,409,000)

Change in net position of governmental activities \$ (786,227)

See notes to financial statements.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Village of Nyack, New York (the "Village"), established in May 1899, is governed by the Village law and the various other applicable laws of the State of New York. The Village Board is the legislative body responsible for overall operations; the Village Mayor serves as the Chief Executive Officer and the Village Treasurer as the Chief Fiscal Officer.

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by the GASB, including legal standing, fiscal dependency, and financial accountability. Based upon the application of these criteria, the following component units were included in the Village's reporting entity because of their operational or financial relationship with the Village:

a. The Village of Nyack Housing Authority (the "Housing Authority") was organized pursuant to the Housing Statutes of the State of New York. The Housing Authority's purpose is to provide low-income housing. Revenues are derived from rentals, sales and services to tenants, and subsidies received from the Department of Housing and Urban Development.

Of the seven members who serve as the Governing Board, five are appointed by the Mayor, which causes the Housing Authority to meet the criteria for inclusion as a component unit. The Housing Authority's financial information is included in the discretely presented component units of the Village. (See Note XXII).

b. The Nyack Parking Authority, (the "Parking Authority"), was established in July 1991 by the State of New York as provided for in Chapter 489, A.3411-B, Title 22 of the Public Authorities Law of the State of New York. The Parking Authority manages, improves, and leases property to provide public parking in the Village. Since the Village Board is the Governing Board for the Parking Authority it meets the criteria for inclusion as a component unit. The Parking Authority's financial information is included in the discretely presented component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenue.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to custom or applicants who purchase use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Separate fund financial statements are provided for governmental funds, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial-Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and related items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include: 1) charges to custom or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenues; Likewise, general revenues include all taxes.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental fund:

- The *General Fund* is the government's primary operating fund. It accounts for all-financial resources of the general government, except those required to be accounted for in another fund.
- The *Water Fund* is used to account for financial resources to be used for the operations and maintenance of the water district within the Village.
- The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition and construction of major capital facilities. The principal source of financing is from the sale of bonds or bond anticipation notes.

Additionally, the Village reports the following non-major fund types:

- The *Community Development Fund* is used to account for funds expended for community development project planning.
- Fiduciary funds are used to report assets which are held in trust or agency capacity for others and are, therefore, not available to support Village's programs.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Pervasiveness of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of other postemployment benefits, compensated absences, potential contingent liabilities, and useful lives of long-lived assets.

E. Budgetary Data

The Village's budget policies are as follows:

- 1) No later than April 1st week, the budget officer submits a tentative budget to the Village Board for the year commencing the following June 1. The tentative budget includes proposed expenditures and estimated revenue as the means of financing for all funds.
 - a) After public hearings are conducted to obtain taxpayers' comments, the governing body adopts the budget no later than April 15th.
 - b) The Village Board must approve all modifications to the budget.
- 2) Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in all funds. Encumbrances are reported as assignments of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

F. Property Taxes

The Village submits an approved budget to the County of Rockland Commissioner of Finance by May 1st of the previous year. The County then establishes the warrant for the year which is due and payable on or about June 1st of each year. The Village collects taxes without penalty through July 1st and with penalties and interest through October 31st. The Village's collections of the taxes are recognized and the responsibility for the uncollected taxes is transferred to the County of Rockland who has the responsibility for conducting in-rem foreclosure proceedings. On or about April 1st, the County remits the balance of all uncollected taxes to the Village.

G. Cash and Investments

The Village investment policies are governed by State statutes. The Village's monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

VILLAGE OF NYACK
 NOTES TO THE FINANCIAL STATEMENTS
 MAY 31, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. Accounts Receivable

Accounts receivable is shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such an allowance would not be material. All receivables are expected to be collected within sixty days of year end.

I. Due To/From Other Funds

Amounts due to and due from within the same fund type have been eliminated in the Government-wide statements. See Note XI for a schedule detailing the interfund balances.

J. Inventories and Prepaid Items

Purchases of inventorable items are recorded as expenditures in the Governmental Funds at the time of purchase. Inventory-type items are considered immaterial and, consequently, are not provided in Government-wide statements.

Prepaid items represent payments made by the Village for which benefits extend beyond year end.

K. Capital Assets

Capital assets are reported at historical cost. The Village depreciates capital assets using the straight-line method over the estimated useful lives of the assets. Capitalization thresholds and estimated lives of assets reported in the Government-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Buildings	\$5,000	20-40 Years
Improvements	\$5,000	15 years
Machinery & Equipment	\$5,000	5-25 years

L. Infrastructure

The Village includes long-lived improvements to roads, property, and water systems as capital assets in the Government-wide statements. Infrastructure is reported at historical cost and is depreciated using the straight-line method over the estimated useful lives.

Under generally accepted accounting principles, the Village is considered a small government and, as such, is required only to recognize infrastructure on a prospective basis.

Capitalization thresholds and estimated useful lives for infrastructure are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Water Infrastructure	\$10,000	40 years
Roads	\$10,000	30 years

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

M. Unemployment Insurance

Village employees are not covered by unemployment insurance. The Village is exempt from federal unemployment insurance tax.

N. Vested Employee Benefits

Village employees are granted vacation and sick leave and earn compensatory absences in varying amounts. In the event of termination, or upon retirement, an employee may be entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations. A liability for accrued vacation and sick time is reflected in the Government-wide statements under the heading "Compensated Absences."

The Village's employees participate in the New York State Employees' Retirement System. See Note VI.

O. Deferred Compensation

The Village, through the New York State Deferred Compensation Board, offers its employees a Deferred Compensation Plan, (the "Plan"), created in accordance with Internal Revenue Code Section 457. The Plan, which is available to all eligible participants, permits participants to defer a portion of their salary, (up to the IRS limits), until future years. Amounts deferred under the Plan are not available to the employee until termination, retirement, death, or unforeseeable emergency. The Village does not contribute to this plan.

P. Risk Retention

The Village assumes the liability for most risk including, but not limited to, property damage and personal injury liability. The Village purchases commercial insurance to mitigate these risks, subject to certain deductibles. Judgments and claims are recorded when it is probable that an asset has been impaired, or a liability has been incurred and the amount of loss can be reasonably estimated.

Q. Equity Classification

1. Government-wide Statements

Equity is defined as net position and displayed in three components:

Net Investment in Capital Assets:

Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position:

Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Unrestricted Net Position:

The remaining portion of net position that does not meet the definition of "restricted" or "net investment in capital assets."

2. Fund Financial Statements

Equity is defined as fund balance and displayed in five fund balance classifications, which are based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in the governmental funds:

Non-spendable:

Amounts that cannot be spent in the current period either because of their form or because they must be maintained intact. Prepaid expenses are non-spendable assets because, by definition, the money has already been spent.

Restricted:

Amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments or through constitutional provisions or enabling legislation.

Various New York State statutes allow local governments to establish reserve funds for various purposes. The Village does not have any reserve funds to classify as restricted fund balance.

Committed:

Amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority, (the Village Board), before the end of the year. The same level of formal action is required to remove the constraint.

Assigned:

Amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority or by its designated body or official. The purpose of the assignment must be narrower than the purpose of the General fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned:

Represents the residual amount of fund balance in the General Fund. In funds other than the General Fund, this should only be used to report a deficit balance. The Community Development deficit fund balance was (\$13,003).

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the Village's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements. Similarly, when an expenditure is incurred for which multiple classifications of fund balance are available the Village's policy is to apply fund balance in the following order: restricted, committed, assigned, unassigned.

R. Interfund Transfers

The operations of the Village give rise to certain transactions between funds, including transfers to provide services, and construct assets. Interfund transfer within fund categories are eliminated for the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided in Note XIII.

S. Subsequent Events

Management has evaluated subsequent events through the date on which the financial statements were available to be issued.

T. New Accounting Standards

The Village is compliant with all Governmental Accounting Standards Board (GASB) statements that are applicable as of May 31, 2021.

U. Future Changes in Accounting Standards

GASB has issued the following Statements:

GASB has issued Statement No. 87, *Leases, and Implementation Guide 2019-3, Leases* – Effective for the year ending May 31, 2023.

GASB Statement No.96, *Subscription-Based Information Technology Arrangements*. The requirements of GASBS 96 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement No.97, *Certain Component Unit Criteria, and Accounting, and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*-an amendment of GASB Statements No. 14 and No.84, and a supersession of GASB Statement No. 32. Generally, the requirements of GASB 97 are effective for reporting periods beginning after June 15, 2021.

GASB Statement No.98, *The Annual Comprehensive Financial Report*. The requirements of this Statement are effective for fiscal years ending after December 15, 2021.

The Village will evaluate the impact each of these pronouncements may have on its accounting and financial reporting and will implement them as applicable and when material.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

V. CAPITAL ASSETS

Capital asset balances and activity for the year ended May 31, 2021, were as follows:

Governmental Activities:

<u>Non-depreciable Capital Assets</u>	<u>Balance</u> <u>May 31, 2020</u>	<u>Additions</u>	<u>Reclasses /</u> <u>Deletions</u>	<u>Balance</u> <u>May 31, 2021</u>
Land	1,946,114	-	-	1,946,114
Construction in Progress	1,946,809	3,360,322	-	5,307,131
	<u>3,892,923</u>	<u>3,360,322</u>	<u>-</u>	<u>7,253,245</u>
 <u>Depreciable Capital Assets</u>				
Buildings and Improvements	4,035,537	-	-	4,035,537
improvements other than buildings infrastructure	11,060,765	128,500	-	11,189,265
roads	5,032,809	-	-	5,032,809
water	2,274,909	-	-	2,274,909
Machinery & Equipment	4,296,203	122,434	(2,329,907)	2,088,730
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>26,700,223</u>	<u>250,934</u>	<u>(2,329,907)</u>	<u>24,621,250</u>
 <u>Accumulated Depreciation</u>				
Buildings and Improvements	(2,535,071)	(100,888)	-	(2,635,959)
improvements other than buildings infrastructure	(8,162,430)	(230,619)	-	(8,393,049)
roads	(4,692,697)	(11,436)	-	(4,704,133)
water	(1,004,933)	(56,873)	-	(1,061,806)
Machinery & Equipment	(3,697,562)	(175,910)	2,329,907	(1,543,565)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total accumulated Depreciation	<u>(20,092,693)</u>	<u>(575,727)</u>	<u>2,329,907</u>	<u>(18,338,513)</u>
 Capital Assets Being Depreciated, Net	 <u>6,607,530</u>	 <u>(324,793)</u>	 <u>-</u>	 <u>6,282,737</u>
Summary of additions, deletion & reclasses:	<u>10,500,453</u>	<u>3,035,529</u>	<u>-</u>	<u>13,535,982</u>

Depreciation was charged to governmental activities as follows:

Governmental Activities:

General Government Support	\$ 65,934
Transportation	37,186
Culture and Recreation	172,515
Home and Community Services	<u>310,952</u>
Total Depreciation Expense	<u><u>\$ 586,587</u></u>

VILLAGE OF NYACK
 NOTES TO THE FINANCIAL STATEMENTS
 MAY 31, 2021

VI. PENSION PLANS

Plan Descriptions and Benefits Provided

Employees' Retirement System (ERS)

The Village participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL governs obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. The Village also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. ERS issues a publicly available financial report that includes financial statements and required supplementary information.

That report may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory for the employee who joined prior to July 27, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% to 3.5% of their salary. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. The Village paid 100 percent of the required contributions as billed by the ERS for the current year and two preceding years. The Village chose to prepay the required contribution by December 15, 2020, and received an overall discount of \$3,987.

The Village's share of the required contributions, based on covered payroll paid for the Village's year ended May 31, was .

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At May 31, , the Village reported the following liability for its proportionate share of the net pension (liability) overpay for the System, with \$10,262 reported on the Villages books and \$1116 on the parking authority books. The net pension liability was measured as of March 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS in reports provided to the Village.

	<u>ERS</u>
Actuarial valuation date	<u>3/31/2021</u>
Net pension (liability) overpayment	\$ 11,378
Village's portion of the Plan's total	
Net pension (liability) overpayment	0.0114264%

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

VI. PENSION PLANS – Continued

For the year ended May 31, , the Village’s recognized pension expense of \$304,281. At May 31, the Village’s reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u> ERS	<u>Deferred Inflows of Resources</u> ERS
Differences between expected and actual experience	\$ 138,953	\$ -
Changes of assumptions	2,091,996	39,456
Net difference between projected and actual earnings on pension plan investments	-	3,268,352
Changes in proportion and differences between Village contributions and proportionate share of contributions	169,728	34,797
Village contributions subsequent to the measurement date	-	-
Total	<u>\$ 2,400,674</u>	<u>\$ 3,342,605</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ (147,164)
2022	(33,032)
2023	(156,717)
2024	(605,018)
2025	-
Thereafter	-

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Significant actuarial assumptions used in the valuations were as follows:

Measurement date	March 31, 2021
Actuarial valuation date	April,1 2020
Interest rate	5.9%
Salary scale	4.2%
Decrement tables	April,1 2010 – March 31,2015 System’s Experience

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

VI. PENSION PLANS – Continued

Annuitant mortality rates are based on the April 1, 2010 - March 31, 2015, System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2014. The actuarial assumptions used in the April 1, 2018, valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32.00%	4.05%
International Equity	15.00%	6.15%
Private Equity	10.00%	6.75%
Real Estate	9.00%	4.95%
Absolute Return Strategies	2.00%	3.25%
Opportunistic Portfolio	1.00%	4.65%
Real Assets	3.00%	5.95%
Bonds and Mortgages	23.00%	0.75%
Cash	1.00%	0.00%
Inflation-Indexed Bonds	4.00%	0.50%
	<u>100.00%</u>	

The discount rate used to calculate the total pension liability was 5.9 percent. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's current-period net pension liability calculated using the current period discount rate assumption of 5.9 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage-point lower (4.9 percent) or one percentage-point higher (6.9 percent) than the current assumption:

	One Percent Decrease	Current Assumption	One Percent Increase
<u>Village's Proportionate Share</u>	<u>(4.9%)</u>	<u>(5.9%)</u>	<u>(6.9%)</u>
ERS Net Pension Liability (Asset)	\$ 3,158,015	\$ 11,378	\$(2,890,559)

VILLAGE OF NYACK
 NOTES TO THE FINANCIAL STATEMENTS
 MAY 31, 2021

VI. PENSION PLANS – Continued

Pension Plan Fiduciary Net Position

The components of the collective net pension liability as of the March 31, 2021, measurement date were as follows:

	(Dollars in Thousands)
	<u>ERS</u>
Employers' Total Pension Liability	\$220,680,157
Fiduciary Net Position	<u>220,580,583</u>
Employers' Net Pension Liability	<u>\$ 99,574</u>
Ratio of Fiduciary Net Pension to the Employers' Total Pension Liability	99.95%

Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of May 31, represent the projected employer contribution for the period of April 1, 2020 through May 31, based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, amounted to \$50,714.

VII. OTHER POST EMPLOYMENT BENEFIT OBLIGATIONS

Plan Description

The Village provides postemployment health insurance coverage to retired employees through a self-administered single employer plan in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the Village's contractual agreements. A trust that meets the criteria in paragraph 4 of GASB Statement 75 has not been established.

Benefits Provided

The Village's OPEB plan subsidizes the cost of healthcare to eligible retired employees and their spouses and dependent children. Eligibility is based on the respective rules of the New York State and Local Employees Retirement System (the "System") as well as the provisions of the Village's agreements with its employees. The following eligibility rules currently apply to the Village's employees:

- All staff: eligibility for retirement under ERS; 15 years of Village service.

Medical and prescription drug benefits are offered to retirees on a Village-subsidized basis. Upon attaining age 65 or upon disability retirement, Medicare (Parts A and B) becomes the primary provider for hospital insurance and supplementary medical insurance, with the Village's plan providing an additional layer of coverage.

VILLAGE OF NYACK
 NOTES TO THE FINANCIAL STATEMENTS
 MAY 31, 2021

VII. OTHER POST EMPLOYMENT BENEFIT OBLIGATIONS – Continued

The benefit terms are dependent on which contract covers each employee. Contribution rates for new retirees are as follows:

Group	Provider Options		Village Contributions (Fixed)		Reimburse Part B Premium		
			Individual	Family	Individual	Spouse	Surviving Spouse
Staff	NYSHIP	Under 65	\$ 1,042.85	\$ 2,412.77	Y	Y	Y
		Over 65	403.27	1,133.57			

The Village's contribution is equivalent to the portion of health insurance premiums paid that are allocated to retirees, estimated to be \$145,177 during the year ended May 31, 2021.

Employees Covered by Benefit Terms

At May 31, 2021, the following employees were covered by benefit terms:

Active employees	27
Retired	30
Deceased	3
Total employees covered by benefit terms	60

Actuarial Assumptions and Other Inputs

The total OPEB liability in the May 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Projected Salary Increases, Including Wage Inflation	2.00%
Discount Rate	2.05%
Healthcare Cost Trend Rates	4.6% for medical, 3.5% for dental and 3.0% for vision, 7.6% for prescription for 2020, reduced incrementally to an ultimate rate of 4.7% after 10 years
Current Retiree's Share of Benefit Related Costs	Retirees pay based on specific cost sharing agreement
Future Retiree's Share of Benefit Related Costs	Retirees pay based on specific cost sharing agreement

- The discount rate was based on the S&P Municipal Bond 20-year High Grade Bond index rate of 3.05%.
- Mortality Rates were based on the RP-2000 mortality table with 18-year projection.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

VII. OTHER POST EMPLOYMENT BENEFIT OBLIGATIONS – Continued

Changes in the Total OPEB Liability during the year ended 5/31/21:

Balance - Beginning	\$	20,480,100
Changes for the Year:		
Service costs and interest		428,538
Differences Between Expected and Actual Experience		1,403,977
Benefits Paid		(439,675)
Net Changes		<u>1,392,840</u>
Balance - Ending	<u>\$</u>	<u>21,872,940</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current discount rate.

Sensitivity of the total OPEB Liability to Changes in the Discount Rate:

	1% Decrease 1.05%	Discount Rate 2.05%	1% Increase 3.05%
Total OPEB Liability	\$ 25,433,220	\$ 21,872,940	\$ 19,042,500

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or higher than the healthcare cost trend rate.

Sensitivity of the total OPEB Liability to Changes in the Healthcare Cost Trends:

	1% Decrease 6.6% decreasing to 3.7%	Healthcare Cost Trend Rate 7.5% Decreasing to 4.7%	1% Increase 8.6% Decreasing to 5.7%
Total OPEB Liability	\$ 18,579,990	\$ 21,872,940	\$ 26,018,150

OPEB Expense

For the year ended May 31, 2021, the Village recognized OPEB expense of \$3,179,358.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

VIII. SHORT TERM DEBT

Bond anticipation notes can be used for any purpose for which bonds are authorized and are generally accounted for in the Capital Projects Fund since maturities cannot exceed one year. Local finance law allows the notes to be renewed up to five years for capital purposes and up to the period of probable usefulness for assessable improvements, provided that stipulated annual reductions of principal are made.

following is a summary of the Village's outstanding bond anticipation notes as of May 31, 2021:

Purpose	Balance on May 31, 2020	New issues	Payments	Converted to Bonds or BANs	Balance at May 31, 2021
Water improvements	-	2,000,000	-	-	2,000,000
Flocculators	-	500,000	-	-	500,000
Various Purposes	665,000	-	(665,000)	-	-
Water Main Replacements	2,500,000	-	(45,000)	-	2,455,000
Total	\$3,165,000	\$ 2,500,000	\$(710,000)	\$ (-)	\$ 4,955,000

Interest on short-term debt paid during the year was:

Interest Paid	\$ 66,770
Less: Interest accrued - prior year	\$(17,506)
Plus: Interest accrued - current year	<u>\$ 10,073</u>
	<u>\$ 59,337</u>

IX. LONG-TERM DEBT

The Village borrows money in order to acquire or construct buildings and public improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are backed by the full faith and credit of the Village.

At May 31, 2021, the total long-term bond indebtedness outstanding of the Village was \$4,610,000. See Schedule of Indebtedness.

Interest on long-term debt paid during the year was:

Interest Paid	\$ 125,319
Less: Interest accrued - prior year	\$ (40,849)
Plus: Interest accrued - current year	<u>\$ 35,694</u>
	<u>\$ 120,164</u>

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

IX. LONG-TERM DEBT- continued

The following is a summary of maturity of indebtedness at May 31, :

	Date of <u>Issue</u>	Date of <u>Maturity</u>	Interest <u>Rate</u>	Amount <u>Outstanding</u>
Water Supply	2003	09/2032	5.7%	555,000
Water Improvements	2013	08/2031	2.18%	300,000
Public Improvements	2010	08/2023	2.56%	305,000
Public Improvements	2013	08/2032	2.18%	895,000
Public Improvements	2015	08/2028	1.05%	735,000
Public Improvements	2017	02/2032	2.2%	1,240,000
Village Hall Improvements	2018	03/2023	1.75-2.18%	40,000
Packer Truck, footbridge	2020	02/2028	various	540,000
				<u>\$ 4,610,000</u>

<u>Maturity Year(s)</u>	<u>Bonds</u>	<u>Interest</u>	<u>Total</u>
2022	630,000	120,483	750,483
2023	600,000	101,960	701,960
2024	585,000	86,535	671,535
2025	480,000	73,308	553,308
2026	490,000	61,887	551,887
5 Subsequent years	1,570,000	152,010	1,722,010
5 Subsequent years	<u>255,000</u>	<u>9,233</u>	<u>264,233</u>
Total	<u>\$ 4,610,000</u>	<u>\$ 605,416</u>	<u>\$ 5,215,416</u>

Long-term liability balances and activity for the year are summarized below:

	Beginning Balance	Issued/ Earned	Redeemed/ Paid	Ending Balance	Current Position
Serial Bonds	\$4,650,000	\$540,000	\$(580,000)	\$ 4,610,000	\$ 630,000
Other Liabilities:					
Installment purchase debt	\$ 71,623	0	\$ 63,652	\$ 7,971	\$ 7,791
Other Postemployment Benefits	20,480,100	4,572,198	3,179,358	21,872,940	440,000
Compensated Absences	634,630	215,863	186,045	644,448	186,000
ERS Net Pension Liability	2,495,732	-	2,485,470	10,262	304,300
Total Other Liabilities	<u>\$ 23,682,085</u>	<u>\$ 2,302,591</u>	<u>\$ 3,429,055</u>	<u>\$ 22,555,620</u>	<u>\$ 938,271</u>

The Village has an installment purchase debt agreement for parking meters as of 2/21/2020 for \$418,035 at 3.74% for ten years. Annual principal payments are \$50,875.

Activity for compensated absences is shown at net due to the impracticality of determining these amounts separately. Payments for compensated absences are dependent upon future factors and therefore the timing of such payments cannot be determined. Compensated absences are reflected as a long-term liability in the Statement of Net Position.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

X. RELATED PARTY TRANSACTIONS – DUE FROM RELATED PARTY

Nyack Parking Authority

The Village of Nyack provides both metered street parking as well as municipal lots to residents and visitors through the systems managed by the Nyack Parking Authority. The Village charges the Nyack Parking Authority a monthly lease fee. As of May 31, 2021, the net amount receivable from the Nyack Parking Authority was \$1,716,558. The Parking Authority employees are reported to the NYS Retirement System along with the Village employees and are included in all actuarial calculations.

XI. DUE FROM/TO OTHER FUNDS

The balances reflected as due from/to other funds at May 31, 2021 were as follows:

Fund	Due From	Due To
General	\$ 0	\$343,788
Comm Development	0	13,004
Water	0	425,552
Capital Project	782,344	0
	\$782,344	\$ 782,344

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

XIII. INTERFUND REVENUS, EXPENDITURES, PAYABLES AND RECEIVABLES

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers.

Fund	Transfers In	Transfers Out
General Fund	\$222,000	\$ -
Capital Projects Fund	-	-
Water Fund	-	222,000
Total	\$ 222,000	\$ 222,000

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for other operating fund expenditures.

XIV. PROPERTY TAX ABATEMENT

The Village currently has no tax abatements to report.

XV. PRIOR PERIOD ADJUSTMENT

The water fund reflected old receivables that were not collectible. The opening fund balance was adjusted to reflect a reduction of \$112,697.

VILLAGE OF NYACK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2021

XVI. CONTINGENCIES

Grant Funding

The Village participates in various state and federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act or other regulations. Accordingly, the Village’s compliance with the applicable grant requirements will be established at a future date, the amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

Certiorari Proceedings

Open tax certiorari cases, which claim excessive assessed values, exist with several taxpayers. Claims allowed, if any, will result in a refund of Property Taxes previously collected by the Village. Any such refunds resulting from adverse settlements will be provided for when determinable.

Judgements and Claims

A few claims against the Village are presently pending for miscellaneous matters. Although the final outcome of these matters is not known at this time, management of the Village does not believe that the final settlement of these matters will have a materially adverse effect on the financial condition of the Village.

XVII. COMPONENT UNITS

This note presents summarized financial information from the audited financial statements of the Village’s major component unit.

Nyack Housing Authority

The Nyack Housing Authority (the “Housing Authority”) was incorporated under the laws of New York State. The Authority operates under a board of commissioner form of government to provide safe and decent housing to low-and-moderate-income families and elderly individuals. The following is a summary of financial information included in the audited financial statements issued for the Housing Authority for the year ended March 31, 2021. These financial statements are issued separately and can be obtained from the Nyack Housing Authority at 15 Highview Ct., Nyack, NY 10960.

Total Assets and Deferred Outflows	\$ 7,281,684
Total Liabilities and Deferred Inflows	\$ 754,613
Component Net Position	\$ 6,527,071
Total Revenues	\$ 5,521,852
Total Expenses	\$ 4,792,017

XVIII. SUBSEQUENT EVENTS

In July and August of 2021, the Village received \$366,973 from the Office of the State Comptroller, representing the first one-half tranche of \$733,946 of American Rescue Plan Act of 2021 Coronavirus Local Finance Recovery Funds (“ARPA21 Funds”) allocated to the Village by the United States Treasury. The Village Board has not determined how to expend the funds.

VILLAGE OF NYACK
Required Supplementary Information

Schedule of Changes in the Village's
Other Post Employment Benefits Plan and Related Ratios
Last Three Fiscal Years

Measurement date	<u>5/31/2021</u>	<u>5/31/2020</u>	<u>5/30/2019</u>
TOTAL OPEB LIABILITY			
Service cost	\$ 414,102	\$ -	\$ -
Interest	14,436	-	-
Contributions		-	322,735
Differences between expected and actual experience	(2,739,683)	145,177	3,593,860
measurement of the total OPEB liability	4,143,660	485,030	-
Changes of assumptions		-	-
Benefit payments	<u>(439,675)</u>	<u>(145,177)</u>	<u>(322,735)</u>
Net change in total OPEB liability	1,392,840	485,030	3,593,860
Total OPEB liability - beginning	<u>20,480,100</u>	<u>19,995,070</u>	<u>16,401,210</u>
Total OPEB liability - ending	<u>\$ 21,872,940</u>	<u>\$ 20,480,100</u>	<u>\$ 19,995,070</u>
Covered-employee payroll	\$ 3,190,888	\$ 3,450,490	\$ 3,000,966
Total OPEB liability as a % of covered payroll	685.48%	593.54%	666.29%

Notes to Required Supplementary Information

Changes of assumptions or other inputs. The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

May 31, 2018:	3.64%	3.60%
May 31, 2019:	3.26%	2.05%
May 31, 2020:	1.93%	2.05%

Trust Assets. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73 to pay related benefits.

Changes of Benefit Terms. Effective January 1, 2019, the program was amended to increase the maximum number of years of service credit a participant may earn from 25-

GASB 75 requires that the past 10 years of information be presented. Due to the fact that 2019 was the year of implementation, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 75

VILLAGE OF NYACK
Required Supplementary Information
Schedule of the Proportionate Share of the
Net Pension Liability and Contributions
Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	
<u>Employees Retirement System</u>				
Proportion of the net pension liability	1.0250700%	1.0450000%	1.1384900%	
Proportionate share of the net pension liability	\$ (11,378)	\$ 2,767,212	\$ 806,654	
Covered employee payroll	\$ 3,451,031	\$ 3,451,031	\$ 3,105,859	
Net pension liability as percentage of covered employee payroll	-0.33%	80.19%	25.97%	
Fiduciary net position as percentage of total pension liability	99.95%	86.39%	96.3%	
Contractually required contribution	\$ 482,849	\$ 453,385	\$ 457,948	
Contributions made	<u>(482,849)</u>	<u>(453,385)</u>	<u>(457,948)</u>	
(Excess) deficiency of contributions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Contributions as percentage of covered employee payroll	13.99%	13.14%	14.74%	
	<u>2018</u>	<u>2017</u>	<u>2016</u>	
<u>Employees Retirement System</u>				
Proportion of the net pension liability	1.0269100%	0.9518500%	1.1286300%	
Proportionate share of the net pension liability	\$ 331,429	\$ 894,382	\$ 1,811,480	
Covered employee payroll	\$ 2,671,523	\$ 2,589,311	\$ 3,190,888	
Net pension liability as percentage of covered employee payroll	12.41%	34.54%	56.77%	
Fiduciary net position as percentage of total pension liability	98.2%	94.7%	90.7%	
Contractually required contribution	\$ 414,102	\$ 407,848	\$ 502,794	
Contributions made	<u>(414,102)</u>	<u>(516,606)</u>	<u>(502,794)</u>	
(Excess) deficiency of contributions	<u>\$ -</u>	<u>\$ (108,758)</u>	<u>\$ -</u>	
Contributions as percentage of covered employee payroll	15.50%	19.95%	15.76%	
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Employees Retirement System</u>				
Proportion of the net pension liability	N/A	N/A	N/A	N/A
Proportionate share of the net pension liability	N/A	N/A	N/A	N/A
Covered employee payroll	N/A	N/A	N/A	N/A
Net pension liability as percentage of covered employee payroll	N/A	N/A	N/A	N/A
Fiduciary net position as percentage of total pension liability	N/A	N/A	N/A	N/A
Contractually required contribution	N/A	N/A	N/A	N/A
Contributions made	N/A	N/A	N/A	N/A
(Excess) deficiency of contributions	N/A	N/A	N/A	N/A
Contributions as percentage of covered employee payroll	N/A	N/A	N/A	N/A

Amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

VILLAGE OF NYACK

General Fund
Balance Sheet
May 31, 2021

	<u>2021</u>
ASSETS	
Cash	\$ 1,152,612
Receivables	
Accounts, net	54,887
State and federal aid	-
Due from other funds	-
Due from other governments	233,249
Due from Related Party	1,717,133
Prepaid expense	7,500
Deposits	-
Total assets	<u>\$ 3,165,381</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 61,116
Accrued liabilities	139,383
Due to other funds	343,788
Guarantee & deposits	605,326
Due to retirement systems	-
Other liabilities	33,971
Total liabilities	<u>1,183,584</u>
deferred inflow	
Fund balance	
Nonspendable	7,500
Restricted	-
Committed	-
Assigned	-
Unassigned	1,981,797
Total fund balance	<u>1,981,797</u>
Total liabilities and fund balance	<u>\$ 3,165,381</u>

VILLAGE OF NYACK
General Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance - Budget and Actual
For the Year Ended May 31, 2021

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Real property taxes	\$ 3,891,226	\$ 3,891,226	\$ 3,875,462	\$ (15,764)
Other tax items	600	600	1,060	460
Payments in lieu of taxes	-	-	15,764	15,764
Interest and penalties on real property taxes	<u>20,000</u>	<u>20,000</u>	<u>31,502</u>	<u>11,502</u>
Total other tax items	<u>20,600</u>	<u>20,600</u>	<u>48,326</u>	<u>27,726</u>
Non-property taxes				
Utilities gross receipts tax	115,000	115,000	112,520	(2,480)
Franchise fees	<u>140,000</u>	<u>140,000</u>	<u>125,197</u>	<u>(14,803)</u>
Total non-property taxes	<u>255,000</u>	<u>255,000</u>	<u>237,717</u>	<u>(17,283)</u>
Departmental income				
Fire inspection fees	25,000	25,000	9,280	(15,720)
Vital statistics fees	47,500	47,500	60,189	12,689
Pool fees	750	750	1,500	750
Other culture and recreation fees	60,000	60,000	67,015	7,015
Zoning fees	1,500	1,500	3,500	2,000
Planning board fees	16,000	16,000	4,028	(11,972)
Refuse and garbage charges	3,000	3,000	975	(2,025)
Building-legal	<u>3,200</u>	<u>3,200</u>	<u>3,879</u>	<u>679</u>
Total departmental income	<u>156,950</u>	<u>156,950</u>	<u>150,366</u>	<u>(6,584)</u>
Use of money and property				
Earnings on investments	100	100	181	81
Rental of real property	37,200	37,200	45,265	8,065
Filming fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total use of money and property	<u>37,300</u>	<u>37,300</u>	<u>45,446</u>	<u>8,146</u>
Parking Authority	<u>405,000</u>	<u>405,000</u>	<u>-</u>	<u>(405,000)</u>
Licenses & permits				
Buidling permits	250,000	250,000	477,077	227,077
Other Licenses & permits	<u>43,300</u>	<u>43,300</u>	<u>77,150</u>	<u>33,850</u>
Total licenses and permits	<u>293,300</u>	<u>293,300</u>	<u>554,227</u>	<u>260,927</u>
Fines and forfeitures	<u>75,000</u>	<u>75,000</u>	<u>31,606</u>	<u>(43,394)</u>

VILLAGE OF NYACK
 General Fund
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance - Budget and Actual
 For the Year Ended May 31, 2021

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Sale of property and compensation for loss				
Sale of recyclables	12,500	12,500	17,924	5,424
Sale of equipment	-	-	-	-
Insurance recoveries	-	-	8,447	8,447
Total sale of property and compensation for loss	<u>12,500</u>	<u>12,500</u>	<u>26,371</u>	<u>13,871</u>
Miscellaneous revenue				
County sales tax distribution	<u>100,000</u>	<u>100,000</u>	<u>169,470</u>	<u>69,470</u>
Refund of prior years' expenditures	-	-	-	-
Gifts and donations	-	-	4,788	4,788
Other miscellaneous revenues	<u>5,419</u>	<u>5,419</u>	<u>7,027</u>	<u>1,608</u>
Total miscellaneous revenue	<u>105,419</u>	<u>105,419</u>	<u>181,285</u>	<u>75,866</u>
State aid				
Mortgage tax	95,000	95,000	226,436	131,436
AIM-related payment	79,575	79,575	79,575	-
Transportation	104,007	104,007	83,193	(20,814)
Other	-	-	14,045	14,045
Total state aid	<u>278,582</u>	<u>278,582</u>	<u>403,249</u>	<u>124,667</u>
Federal aid	-	-	192,776	192,776
 Total revenues	 <u>\$ 5,530,877</u>	 <u>\$ 5,530,877</u>	 <u>\$ 5,746,831</u>	 <u>\$ 215,954</u>

VILLAGE OF NYACK
 General Fund
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance - Budget and Actual
 For the Year Ended May 31, 2021

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES				
General government				
Board of trustees	\$ 31,280	\$ 31,280	\$ 28,215	\$ 3,065
Justice court	186,436	186,436	160,870	25,566
Mayor	16,140	16,140	14,678	1,462
Village Administrator	209,417	209,417	141,973	67,444
Auditor	22,000	22,000	19,563	2,437
Treasurer	149,748	149,748	159,315	(9,567)
Assessment	50,000	50,000	50,326	(326)
Municipal financial advisor	10,000	10,000	11,465	(1,465)
Attorney	81,643	81,643	69,739	11,904
Shared services	96,500	96,500	103,993	(7,493)
Engineer	35,000	35,000	25,652	9,348
Records management	5,000	5,000	1,968	3,032
Unallocated insurance	175,000	175,000	199,843	(24,843)
Municipal association dues	5,500	5,500	5,092	408
Judgments and claims	10,000	10,000	783	9,217
Contingency	-	-	-	-
Other	113,550	113,550	117,399	(3,849)
Total general government	<u>1,197,214</u>	<u>1,197,214</u>	<u>1,110,874</u>	<u>86,340</u>
Public safety				
Safety inspection	<u>437,007</u>	<u>437,007</u>	<u>412,550</u>	<u>24,457</u>
Total public safety	<u>437,007</u>	<u>437,007</u>	<u>412,550</u>	<u>24,457</u>
Health - registrar of vital statistics	<u>36,145</u>	<u>36,145</u>	<u>35,622</u>	<u>523</u>
Transportation				
Street administration	-	-	71,221	(71,221)
Street maintenance	1,102,442	1,102,442	895,395	207,047
Snow removal	48,000	48,000	59,838	(11,838)
Street lighting	127,500	127,500	134,497	(6,997)
Parking	-	-	-	-
Total transportation	<u>1,277,942</u>	<u>1,277,942</u>	<u>1,160,951</u>	<u>116,991</u>
Culture and recreation				
Parks and playgrounds	<u>70,500</u>	<u>70,500</u>	<u>36,282</u>	<u>34,218</u>
Youth recreation	<u>321,453</u>	<u>321,453</u>	<u>330,037</u>	<u>(8,584)</u>
Total Culture and recreation	<u>391,953</u>	<u>391,953</u>	<u>366,319</u>	<u>25,634</u>

VILLAGE OF NYACK
General Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance - Budget and Actual
For the Year Ended May 31, 2021

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Home and community service				
Zoning board	1,500	1,500	-	1,500
Planning board	47,260	47,260	28,070	19,190
Refuse and garbage	190,000	190,000	139,937	50,063
Shade Trees	4,000	4,000	18,325	(14,325)
Total home and community services	<u>242,760</u>	<u>242,760</u>	<u>186,332</u>	<u>56,428</u>
Employee benefits				
NYS employee retirement system	225,000	225,000	236,596	(11,596)
Social security and medicare	143,045	143,045	132,832	10,213
Workers' compensation insurance	80,000	80,000	76,424	3,576
Life insurance	12,000	12,000	5,574	6,426
Unemployment insurance	2,500	2,500	11,183	(8,683)
Health insurance	970,000	970,000	941,222	28,778
Other Benefits	-	-	-	-
Total employee benefits	<u>1,432,545</u>	<u>1,432,545</u>	<u>1,403,831</u>	<u>28,714</u>
Debt service				
Serial bonds	515,000	515,000	515,000	
Installment purchase debt	-	-	63,652	(63,652)
Total Principal	<u>515,000</u>	<u>515,000</u>	<u>578,652</u>	<u>(63,652)</u>
Interest				
Bond anticipation notes	11,239	11,239	66,770	(55,531)
Serial bonds	86,072	86,072	86,072	
Installment purchase debt	-	-	25,688	(25,688)
Total interest	<u>97,311</u>	<u>97,311</u>	<u>178,530</u>	<u>(81,219)</u>
Total debt service	<u>612,311</u>	<u>612,311</u>	<u>757,182</u>	<u>(144,871)</u>
Total expenditures	<u>5,627,877</u>	<u>5,627,877</u>	<u>5,433,661</u>	<u>194,216</u>
Excess of revenues over expenditures	<u>(97,000)</u>	<u>(97,000)</u>	<u>313,170</u>	<u>410,170</u>
OTHER FINANCING SOURCES (USES)				
Transfer in - Water fund	222,000	222,000	222,000	-
Transfer out - capital projects fund	<u>(125,000)</u>	<u>(125,000)</u>	-	125,000
Total other financing sources (uses)	<u>97,000</u>	<u>97,000</u>	<u>222,000</u>	<u>125,000</u>
Net change in fund balance	-	-	535,170	535,170
Fund balance (deficit) - beginning	-	-	1,446,627	1,446,627
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,981,797</u>	<u>\$ 1,981,797</u>

Village of Nyack
 Water Fund
 Balance Sheet
 May 31, 2021

	<u>2021</u>
ASSETS	
Cash	\$ 662,414
Receivables	
Prepaid expense	3,661
Water rents	403,073
Due from other funds	-
Total assets	<u>\$ 1,069,148</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 118,462
Accrued liabilities	66,016
Deferred Revenue	-
Due to other funds	425,554
Total liabilities	<u>610,032</u>
 Fund balance	 <u>459,116</u>
 Total liabilities and fund balance	 <u>\$ 1,069,148</u>

VILLAGE OF NYACK
Water Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance - Budget and Actual
For the Year Ended May 31, 2021

	<u>2021</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Departmental income				
Metered water sales	\$ 3,998,000	\$ 3,998,000	\$ 3,216,256	\$ (781,744)
Unmetered water sales	217,000	217,000	167,539	(49,461)
Miscellaneous local sources	27,900	27,900	10,040	(17,860)
Use of money and property	60,900	60,900	-	(60,900)
Total revenues	<u>4,303,800</u>	<u>4,303,800</u>	<u>3,393,835</u>	<u>(909,965)</u>
EXPENDITURES				
Home and community services				
Water administration	574,500	574,500	525,838	48,662
Source of supply, power and pumping	959,000	959,000	854,110	104,890
Transmission and distribution	663,500	663,500	657,192	6,308
Contingency	80,100	80,100	-	80,100
Purification	527,500	527,500	263,948	-
Total home and community services	<u>2,804,600</u>	<u>2,804,600</u>	<u>2,301,088</u>	<u>239,960</u>
General government				
Unallocated Insurance	165,000	165,000	142,101	22,899
Taxes and Assessments	110,000	110,000	103,239	6,761
	<u>275,000</u>	<u>275,000</u>	<u>245,340</u>	<u>29,660</u>
Employee benefits				
NYS employees retirement system	185,000	185,000	198,773	(13,773)
Social security and Medicare	123,000	123,000	101,281	21,719
Workers' compensation insurance	65,000	65,000	56,237	8,763
Health & dental insurance	460,000	460,000	410,603	49,397
Life insurance	4,600	4,600	29,105	(24,505)
Other Employee Benefits	25,100	25,100	10,454	14,646
Total employee benefits	<u>862,700</u>	<u>862,700</u>	<u>806,453</u>	<u>56,247</u>
Debt service				
Serial bonds - interest	39,500	39,500	39,459	41
Serial bonds - principal	100,000	100,000	65,000	35,000
Total debt service	<u>139,500</u>	<u>139,500</u>	<u>104,459</u>	<u>35,041</u>
Total expenditures	<u>4,081,800</u>	<u>4,081,800</u>	<u>3,457,340</u>	<u>624,460</u>
Excess (deficiency) of revenues over expenditures	<u>222,000</u>	<u>222,000</u>	<u>(63,505)</u>	<u>(285,505)</u>
OTHER FINANCING SOURCES (USES)				
Transfer In				-
Transfer out - General fund	(222,000)	(222,000)	(222,000)	-
Total other financing sources (uses)	<u>(222,000)</u>	<u>(222,000)</u>	<u>(222,000)</u>	<u>-</u>
Net change in fund balance	-	-	(285,505)	(285,505)
Fund balance (deficit) - beginning	-	-	744,621	744,621
Fund balance - ending	\$ -	\$ -	\$ 459,116	\$ 459,116

VILLAGE OF NYACK

Balance Sheet

Fiduciary Fund

May 31, 2021

	<u>2021</u>
Assets	
Cash & cash equivalents	\$ -
Due from other funds	-
	<hr/>
Total assets	<hr/> -
Liabilities	
Accounts payable	-
Security Payable	-
Due to other funds	-
	<hr/>
Total liabilities	<hr/> -
Net Position	 \$ <hr/> <hr/> -

VILLAGE OF NYACK
Community Development Fund
Balance Sheet
May 31, 2021

	2021
ASSETS	
Cash	
Cash with fiscal agent	\$ -
Investments -unrestricted	-
Receivables	-
State and federal aid	-
Due from other funds	-
Due from other governments	-
Total assets	\$ -
 LIABILITIES AND FUND BALANCE	
Accounts payable	
Due to other funds	\$ 13,003
Advances from other funds	-
Retainage payable	-
Bond anticipation notes payable	
State loan payable	-
Total liabilities	13,003
 Total fund balance	 (13,003)
 Total liabilities and fund balance	 \$ -

VILLAGE OF NYACK
Community Development Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended May 31, 2021

	2021
REVENUES	
State and federal aid	\$ -
Interest	-
Miscellaneous	-
Total revenues	-
EXPENDITURES	
Engineering	1,809
Total expenditures	1,809
Deficiency of revenues over expenditures	(1,809)
OTHER FINANCING SOURCES (USES)	
Transfer in	-
Transfers out	-
Total other financing sources (uses)	-
Net change in fund balance	(1,809)
Fund balance (deficit) - beginning	(11,194)
Fund balance (deficit) - ending	\$ (13,003)

VILLAGE OF NYACK
 Capital Projects Fund
 Balance Sheet
 May 31, 2021

	2021
ASSETS	
Cash	\$ 1,068,506
Receivables	
State and federal aid	-
Due from other funds	782,345
Due from other governments	2,177
Total assets	\$ 1,853,028
 LIABILITIES AND FUND BALANCE	
Accounts payable	\$ 57,579
Due to other funds	-
Retainage payable	-
Bond anticipation notes payable	4,955,000
Total liabilities	5,012,579
 Total fund balance	 (3,159,551)
 Total liabilities and fund balance	 \$ 1,853,028

VILLAGE OF NYACK
 Capital Projects Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance
 For the Year Ended May 31, 2021

	2021
REVENUES	
State and federal aid	\$ 130,853
Interest	50
Transportation Income	15,775
Miscellaneous	134,700
Total revenues	281,378
EXPENDITURES	
General government support	670,854
Culture and recreation	34,252
Home and community services	2,274,662
Total expenditures	2,979,768
 Deficiency of revenues over expenditures	 (2,698,390)
OTHER FINANCING SOURCES (USES)	
BANs redeemed from appropriations	540,000
Transfer in	-
Transfers out	-
Total other financing sources (uses)	540,000
 Net change in fund balance	 (2,158,390)
Fund balance (deficit) - beginning	(1,001,161)
Fund balance (deficit) - ending	\$ (3,159,551)

VILLAGE OF NYACK
 Capital Projects Fund
 Project Length Schedule- Inception of Project to Date
 Changes in Fund Balance
 For the Years Ended May 31, 2021

Project	Expenditures to Date				Methods of Financing						Fund Balance at May 31 2021
	Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	Interest	other fund Transfers	Other	Total	
Water Improvements - H2	\$ 5,500,000	\$ 976,045	\$ 2,585,217	\$ 3,561,262	\$ 1,938,738		\$ 44,125		\$ -	\$ 44,125	\$ (3,517,137)
Gazebo - H1	310,000	325,074	-	325,074	(15,074)	339,088	-	10,000	-	349,088	24,014
Senior Center - H1	175,000	209,375	-	209,375	(34,375)	196,993	-	-	-	196,993	(12,382)
Broadway TAP	519,969	340,817	1,200	342,017	177,952	520,676	-	-	-	520,676	178,659
CDBG - Midland	32,500	-	-	-	32,500	32,500	-	-	-	32,500	32,500
Road Improvements	200,000	215,092	-	215,092	(15,092)	343,928	-	-	120,000	463,928	248,836
Footbridge	345,100	895,192	66,431	961,623	(616,523)	549,709	-	-	39,000	588,709	(372,914)
PSAP	37,605	32,873	78,357	111,230	(73,626)	24,716	-	-	12,888	37,604	(73,626)
Midland Ave Sidewalks and Drains	344,475	305,859	-	305,859	38,616	344,475	-	-	-	344,475	38,616
Midland Repaving	272,700	383,742	-	383,742	(111,042)	435,106	-	-	-	435,106	51,364
Splashpad	-	4,082	-	4,082	(4,082)	137,524	-	-	-	137,524	133,442
Memorial Park Electrical Imp.	31,293	-	-	-	31,293	-	-	-	31,293	31,293	31,293
Garbage Truck	330,000	214,440	-	214,440	115,560	330,000	-	-	-	330,000	115,560
Walkway on the Hudson		2,452	-	2,452	(2,452)	-	-	-	-	-	(2,452)
sidewalks-Safe Routes to School	2,180	-	248,563	248,563	(246,382)	-	-	-	2,180	2,180	(246,383)
New Connectivities	60,560	-	-	-	60,560	-	-	-	60,560	60,560	60,560
Interest earned- unassigned	-	-	-	-	-	-	16,514	-	-	16,514	16,514
Packer Truck	-	-	-	-	-	133,985	-	-	-	133,985	133,985
	<u>\$ 8,161,383</u>	<u>\$ 3,905,044</u>	<u>\$ 2,979,768</u>	<u>\$ 6,884,811</u>	<u>\$ 1,276,572</u>	<u>\$ 3,388,700</u>	<u>\$ 60,639</u>	<u>\$ 10,000</u>	<u>\$ 265,922</u>	<u>\$ 3,725,260</u>	<u>\$ (3,159,551)</u>

**VILLAGE OF NYACK, NEW YORK COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
FOR THE YEAR ENDED MAY 31, 2021**

	Housing Authority 3/3/2021	Parking Authority 5/31/2021	Total Component Units
Current Assets:			
Cash and cash equivalents	\$ 749,042	\$ 12,524	\$ 761,566
Cash and cash equivalents - restricted	149,281		149,281
Receivables	666,498	141,354	807,852
Prepaid expenses and other assets	53,698		53,698
Inventories	9,518		9,518
Investments	1,270,756		1,270,756
Total current assets	2,898,793	153,878	3,052,671
Capital Assets			
Land	235,443	-	235,443
Building and Equipment	10,867,497	876,220	11,743,717
Less accumulated depreciation	(7,074,266)	(470,834)	(7,545,100)
Total Non-Current Assets	4,028,674	405,386	4,434,060
Deferred outflows of resources	354,217	171,630	525,847
Total Assets and Deferred Outflows of Resources	7,281,684	730,894	8,012,578
Current Liabilities			
Accounts payable	\$ 1,597	\$ 127,170	\$ 128,767
Accrued liabilities	24,272	22,294	46,566
Security deposits	89,182		89,182
Loans payable		402,098	402,098
Due to other funds		1,717,133	1,717,133
Deferred revenue	13,910		13,910
Total current liabilities	128,961	2,268,695	2,397,656
Noncurrent Liabilities			
Accrued pension & OPEB liabilities	544,144	9,885	554,029
Accrued compensated absences	64,699	-	64,699
Total noncurrent liabilities	608,843	9,885	618,728
Total Liabilities	737,804	2,278,580	3,016,384
Deferred inflows of resources	16,809	-	16,809
NET POSITION			
Net investment in capital assets	4,028,674	3,288	4,031,962
Restricted	544,717		544,717
Unrestricted	1,953,680	(1,550,974)	402,706
Total Net Position	6,527,071	(1,547,686)	4,979,385
Total Liabilities, Net position, and Deferred inflow of	\$ 7,281,684	\$ 730,894	\$ 8,012,578

**VILLAGE OF NYACK, NEW YORK COMBINING STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
COMPONENT UNITS
FOR THE YEAR ENDED MAY 31, 2021**

	Housing Authority 3/3/2021	Parking Authority 5/31/2021	Total Component Units
REVENUES			
Tenant revenue	\$ 1,552,722	\$ -	\$ 1,552,722
Parking Lot/Meter Revenue		685,454	685,454
Program grants/subsidies	3,885,917	-	3,885,917
Other Revenue	83,213	-	83,213
Total revenue	5,521,852	685,454	6,207,306
EXPENSES			
Housing assistance payments	2,710,602	-	2,710,602
Administrative	696,567	459	697,026
Maintenance	544,421	24,448	568,869
Depreciation	441,775	79,986	521,761
Utilities	198,823	-	198,823
General	185,435	18,434	203,869
Tenant Services	8,188	-	8,188
Protective services	6,206	6,014	12,220
Personal Services	-	237,211	237,211
Related Party Lease Expense	-	2,128	2,128
Other lease expense	-	4,211	4,211
Office Expense	-	3,337	3,337
Minor Equipment	-	10,334	10,334
Telephone	-	4,261	4,261
Meter Operations	-	27,248	27,248
Professional Services	-	-	-
Interest Expense	-	-	-
Insurance	-	30,846	30,846
Uniform's	-	-	-
Auto	-	5,133	5,133
Meter Collection Fees	-	146,023	146,023
Employee Benefits	-	(74,979)	(74,979)
Total expenses	4,792,017	525,094	5,317,111
Operating (Loss)	729,835	160,360	890,195
Non Operating Revenues			
Interest revenue	14,934	-	14,934
Net Non Operating Revenues	14,934	-	14,934
Change in Net Position	744,769	160,360	905,129
Net Position - Beginning	5,782,302	(1,708,046)	4,074,256
Net Position - Ending	\$ 6,527,071	\$ (1,547,686)	\$ 4,979,385



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Trustees
Village of Nyack
9 N. Broadway
Nyack, New York 10960

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the as of and for the year ended May 31, 2021 , and the related notes to the financial statements, which collectively comprise the Village of Nyack's basic financial statements, and have issued our report thereon dated March 31, 2024. Our report includes a reference to the Nyack Housing Authority and the Nyack Parking Authority as described in our report on the Village of Nyack financial statements.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Nyack's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Nyack's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Nyack's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Donalee Berard, CPA
donalee@berardcpas.com

www.berardcpas.com
44 Park Ave., Suffern, NY 10901
T. 845-357-5668 F. 845-357-5637

Joann Arendes, CPA
joann@berardcpas.com

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. However, we identified deficiencies in internal control described in the accompanying schedule of findings as items 2021-1 and 2021-2 that we consider to be material weaknesses and 2021-3 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Nyack's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of the report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berard + Associates CPA's PC

Berard & Associates CPA's P.C.
March 31, 2024

VILLAGE OF NYACK, NEW YORK
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED MAY 31, 2021

Internal Control Findings:
Material Weakness

2021-1; Due from related Party- Parking Authority

Condition:	The Village records a lease receivable and revenue from the Village of Nyack Parking Authority annually, however the receivable continues to increase as the annual total is not paid
Criteria:	The Village is recording a revenue that is not ultimately being collected
Cause:	The Parking Authority has insufficient cash to pay the liability to the Village and consistently incurs losses. The Village has not taken steps to revise its billing to the Parking Authority to be more reflective of the actual cash that could be expected to be received.
Effect:	The Village's revenues and fund balance could be overstated. The receivable from the Parking Authority is \$1,717,133. Had the Village not accrued this revenue, its fund balance would be less by this amount
Recommendation:	Since the Villag appoints the members of the Parking Authority board, the Village has the ability to make changes to the relationship between the Authority and the Village. We recommend that the Village consider making changes to the contract and/or consider changes to assist the Authority in raising revenues or decreasing other expenses so that the Authority can appropriately pay its bills.

2021-2; Cash reconciliation

Condition:	The Village's bank reconciliation included numerous old reconciling.
Criteria:	The purpose of a bank reconciliation is to identify any reconciling items and record adjustments in a timely manner.
Cause:	The Village has experienced employe turnover preventing timely review and adjustment of reconciling items.
Effect:	Depending on the cash account in question, the Village's cash balances were either overstated or understated.
Recommendation:	We recommend that the Village make addressing items identified in the bank reconciliation process a priority so that Village reports are accurate.

Compliance Finding

2021-3; Justice Court

- Condition: The Village did not provide any of the documentation related to the funds held by their Justice Court, including bank reconciliations, as these items were not provided by the Court.
- Criteria: As per the New York Uniform Justice Court Act, the Village Justice Court is required to present its records at least once a year to the Village to be examined by the auditing board or official, or by a Certified Public Accountant.
- Cause: The Village Justice Court did not have an independent audit conducted and did not provide the Village's auditors with bank records for examination.
- Effect: The Village Justice Court is not in compliance with the requirements of the NYS Unified Court System.
- Recommendation: We recommend that the Village arrange for the Justice Court records to be audited annually.